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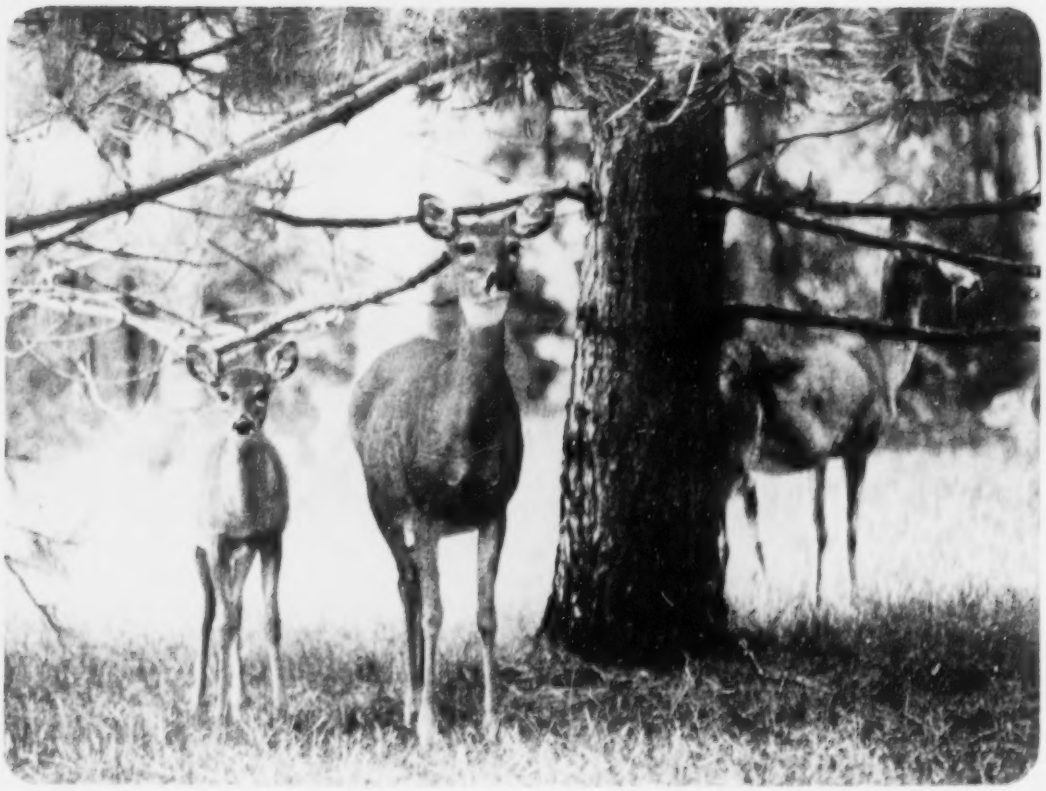
WISCONSIN ECONOMIC INDICATORS

SEPTEMBER 1987



DILHR
DEPARTMENT OF
INDUSTRY, LABOR & HUMAN RELATIONS

WISCONSIN DATA AND SOURCES

	INDICATOR	SOURCE
L1	Composite Index of Leading Indicators	Wis Dept. of Industry, Labor and Human Relations
L2	Average Work Week, Manufacturing	Wis. Dept. of Industry, Labor and Human Relations
L3	Average Overtime Hours, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
L4	Average Weekly Initial Claims	Wis. Dept. of Industry, Labor and Human Relations
L5	Total Job Openings Received	Wis. Dept. of Industry, Labor and Human Relations
L6	New Business Incorporations	Wisconsin Secretary of State
L7	Net Gain in Business Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
L8	Building Plans Examined	Wis. Dept. of Industry, Labor and Human Relations
C1	Help-Wanted Advertising Index (Milw.)	National Industrial Conference Board
C2	Total Unemployment Rate	Wis. Dept. of Industry, Labor and Human Relations
C3	Natural Gas Sales	Wisconsin Public Service Commission
C4	New Car Registrations	Wis. Department of Transportation
C5	Electric Power Sales	Wisconsin Public Service Commission
C6	Total Securities Registrations	Wisconsin Commissioner of Securities
C7	Manufacturing Employment	Wis. Dept. of Industry, Labor and Human Relations
C8	Average Weekly Earnings, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
C9	Cash Receipts From Farm Marketing	U.S. Department of Agriculture
C10	Contract Construction Employment	Wis. Dept. of Industry, Labor and Human Relations
X1	Birth Registrations	Wis. Department of Health and Social Services
X2	Death Registgrations	Wis. Department of Health and Social Services
X3	Natural Net Gain in Population	Wis. Department of Health and Social Services
X4	Marriage Registrations	Wis. Department of Health and Social Services
X5	Consumer Price Index (Milwaukee)	U.S. Bureau of Labor Statistics
X6	Index of Prices Received By Farmers	Wisconsin Department of Agriculture
X7	Net Gain in Residential Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
X8	Labor Disputes, No. of Workers	Wis. Dept. of Industry, Labor and Human Relations
X9	Unemployment Compensation Exhaustees	Wis. Dept. of Industry, Labor and Human Relations

NOTES: Selected series are seasonally adjusted by the Bureau of the Census X-11 Variant of the Census Method II Seasonal Adjustment Program. The adjusted data are plotted on arithmetic scales.

SECTION A is a summary of recent data and current changes for all indicators and is presented in chart form. The indicators are presented with cyclical timing as the principle basis of classification.

SECTION B is a summary of Wisconsin Labor Force Estimates, including Employment, Unemployment and Unemployment Rates, and selected U.S. data.

SECTION C analyzes the Wisconsin labor force by industry and by specified Standard Metropolitan Statistical Areas.

SECTION D singles out certain economic time series as being leading or coinciding in relation to movements in aggregate economic activity. They are seasonally adjusted and presented graphically. The indicators are grouped by cyclical timing.

WISCONSIN ECONOMIC INDICATORS

SUMMARY FOR AUGUST

COMPOSITE INDEX

Wisconsin's composite index of leading indicators dropped by over ten points in August and now stands at 94.8 percent of its base year average in 1979. A ten point decline is large but the composite index had been at unusually high levels in the two previous months.

The majority of leading indicators had negative changes in August, with only the manufacturing workweek series showing positive growth.

LEADING INDICATORS

Production workers in Wisconsin's manufacturing industries averaged more weekly hours on the job in August than in the previous month. The four-tenths of an hour increase is a bit larger than normal for this month; a two-tenths increase would have fit the seasonal pattern.

The average workweek lengthened because average weekly overtime hours increased. Overtime grew by a half hour per week in the state's factories, a normal growth for August.

However, a smaller manufacturing employment level accompanied the longer workweek. Manufacturers employed 7,200 fewer workers in August but increased the time on the job by those employed. The result is a decrease in the total labor input in the state's goods-producing industries during August.

The number of average weekly initial claims for unemployment compensation decreased by over twelve-hundred. While that seems like a large decrease, a decline of between 15 and 16 hundred would have been seasonally normal for this month.

The number of job openings received by state Job Service offices throughout the state increased in August by nearly six hundred. The job openings received figure is 9,707, but that represents only a portion of worker recruiting efforts by employers. And while the openings received number did increase, the growth was subpar for August. A growth of over a thousand would have been normal.

The number of new business incorporations declined to 450 in August from 544 in the month earlier. Some decrease of incorporations is normal for August, but this month's drop is about twice the normal amount.

The net gain in business telephone access lines decreased, signifying a decrease in the growth of new business places throughout the state. And, the number of building plans examined for commercial and industrial buildings decreased, pointing to a slowing of business site construction.

A WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES			% CHANGE		AVG.
		Latest Month	Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1986
LEADING INDICATORS							
L1 COMPOSITE INDEX OF LEADING INDICATORS							
Seasonally Adjusted	INDEX	94.8 Aug	105.0	89.6	9.7	5.8	93.0
L2 AVG. WORK WEEK, MFG.							
Unadjusted	HOURS	41.5 Aug	41.1	41.4	1.0	0.2	41.4
Seasonally Adjusted		41.6	41.4	41.5	0.5	0.2	
L3 AVG. OVERTIME HOURS, MFG.							
Unadjusted	HOURS	4.1 Aug	3.7	3.9	13.5	7.7	3.6
Seasonally Adjusted		3.9	3.9	3.6	0.0	8.3	
L4 AVG. WEEKLY INITIAL CLAIMS							
Unadjusted	NUMBER	5310 Aug	6527	5890	- 18.6	- 9.8	8802
Seasonally Adjusted		7489	7003	8307	6.9	- 9.8	
L5 TOTAL JOB OPENINGS REC.							
Unadjusted	NUMBER	9707 Aug	9115	9384	6.5	3.4	7743
Seasonally Adjusted		7106	7465	6871	- 4.8	3.4	
L6 NEW BUSINESS INCORPORATIONS							
Unadjusted	NUMBER	450 Aug	544	525	- 17.3	- 14.3	539
Seasonally Adjusted		479	532	558	- 10.0	- 14.2	
L7 NET GAIN IN BUSINESS PHONES ACCESS LINES							
Unadjusted	NUMBER	-1647 Aug	2413	2836	-168.3	-158.1	1276
Seasonally Adjusted		1405	2142	1481	- 34.4	- 5.1	
L8 BUILDING PLANS EXAMINED							
Unadjusted	NUMBER	684 Aug	808	605	- 15.3	13.1	560
Seasonally Adjusted		608	676	538	- 10.1	13.0	
ROUGHLY COINCIDING INDICATORS							
C1 HELP-WANTED INDEX (MILW.)							
Seasonally Adjusted	INDEX	83 Jul	72	65	15.3	27.7	60
C2 UNEMPLOYMENT RATE, TOTAL							
Unadjusted	PERCENT	4.8 Aug	5.2	6.1	-	-	7.0
Seasonally Adjusted		5.6	5.6	7.0	-	-	
C3 NATURAL GAS SALES							
Unadjusted	MIL THERMS	60.8 Jul	63.1	77.8	- 3.6	- 21.9	214.6
Seasonally Adjusted		140.1	133.4	179.1	5.0	- 21.8	
C4 NEW CAR REGISTRATIONS							
Unadjusted	NUMBER	15,267 Aug	16,008	15,650	- 4.6	- 2.4	16,947
Seasonally Adjusted		15,390	13,750	15,780	11.9	- 2.5	
C5 ELECTRIC POWER SALES							
Unadjusted	MIL KWH	2313.4 Jul	2188.7	2116.3	5.7	9.3	1946.0
Seasonally Adjusted		2176.3	2186.5	1990.4	- 0.5	9.3	
C6 TOTAL SECURITIES REGISTRATIONS							
Unadjusted	MIL DOL	109.4 Aug	120.7	97.3	- 9.4	12.4	171.0
Seasonally Adjusted		129.8	163.1	115.5	- 20.4	12.4	

Section

A WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES Latest Month	Mo/Ago	Yr/Ago	% CHANGE Mo/Ago	% CHANGE Yr/Ago	AVG. 1986
C7 MANUFACTURING EMPL.							
Unadjusted	THOUS	525.1 Aug	532.3	527.3	- 1.4	- 0.4	513.0
Seasonally Adjusted		509.8	523.9	512.0	- 2.7	- 0.4	
C8 AVG. WEEKLY EARNINGS, MFG.							
Unadjusted	DOLLARS	427.04 Aug	428.67	418.14	- 0.4	2.1	427.38
Seasonally Adjusted		438.89	435.20	429.72	0.8	2.1	
C9 CASH RECEIPTS FROM FARM MKTG.							
Unadjusted	MIL. DOL	394.8 Jun	399.5	401.0	- 1.2	- 1.5	416.8
Seasonally Adjusted		406.2	416.1	412.7	- 2.4	- 1.6	
C10 CONTRACT CONSTRUCTION EMPL.							
Unadjusted	THOUS	70.8 Aug	69.9	70.6	1.3	0.3	64.0
Seasonally Adjusted		61.9	61.7	61.7	0.3	0.3	
OTHER KEY INDICATORS							
X1 BIRTH REGISTRATIONS							
Unadjusted	NUMBER	5885 Aug	6586	6226	-10.6	- 5.5	6,033
Seasonally Adjusted		5804	6093	6139	- 4.7	- 5.5	
X2 DEATH REGISTRATIONS							
Unadjusted	NUMBER	3460 Aug	3438	3258	0.6	6.2	3,514
Seasonally Adjusted		3892	3331	3666	16.8	6.2	
X3 NATURAL NET GAIN POPULATION							
Unadjusted	NUMBER	2425 Aug	3148	2968	-23.0	-18.3	2,519
Seasonally Adjusted		2076	2630	2541	-21.1	-18.3	
X4 MARRIAGE REGISTRATIONS							
Unadjusted	NUMBER	4748 Aug	4128	4660	15.0	1.9	3,207
Seasonally Adjusted		3191	3044	3133	4.8	1.9	
X5 CONSUMER PRICE INDEX (MILW.)			(Nov'86)	(Jul'86)			
Unadjusted	INDEX	340.0 Jun	330.7	331.3	2.8	2.6	331.7
X6 PRICES RECEIVED BY FARMERS							
Unadjusted	INDEX	133 Aug	134	133	- 0.7	0.0	131
Seasonally Adjusted		133	137	133	- 2.7	0.0	
X7 NET GAIN IN RESIDENTIAL PHONES ACCESS LINES							
Unadjusted	NUMBER	3508 Aug	-104	5339	3473.1	-34.3	1,363
Seasonally Adjusted		1246	1503	1432	-17.1	-13.0	
X8 LABOR DISPUTES, NO. OF WORKERS							
Unadjusted	NUMBER	252 Aug	437	2489	-42.3	-89.9	769
Seasonally Adjusted		87	390	856	-77.7	-89.8	
X9 UNEMPL. COMPENSATION EXHAUSTEES							
Unadjusted	NUMBER	17,269 Aug	18,874	26,627	- 8.5	-35.1	26,223
Seasonally Adjusted		16,701	17,606	25,743	- 5.1	-35.1	

Section

B

LABOR FORCE ESTIMATES

WISCONSIN LABOR FORCE ESTIMATES AUGUST	(In Thousands)			Pct. Chg.	
	Latest Month *	Month Ago	Year Ago	Month Ago	Year Ago
Unadjusted					
CIVILIAN LABOR FORCE	2499.9	2513.2	2419.9	- 0.5	3.3
Employment (Inc. Labor Disputes)	2378.8	2383.3	2273.5	- 0.2	4.6
Unemployment	121.0	129.9	146.4	- 6.9	-17.3
Unemployment Rate	4.8	5.2	6.1	-	-
Seasonally Adjusted					
CIVILIAN LABOR FORCE	2463.1	2476.3	2389.1	- 0.5	3.1
Employment (Inc. Labor Disputes)	2325.3	2338.9	2222.4	- 0.6	4.6
Unemployment	137.8	137.5	166.7	0.2	-17.3
Unemployment Rate	5.6	5.6	7.0	-	-

WISCONSIN EMPLOYMENT ESTIMATES	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
TOTAL NONFARM WAGE AND SALARY WORKERS	2067.9	2067.3	2032.7	0.0	1.7
Unadjusted					
Manufacturing	525.0	531.9	525.3	- 1.3	- 0.1
Mining	2.5	2.5	2.4	0.0	4.2
Contract Construction	70.8	69.9	70.1	1.3	1.0
Transportation and Public Utilities	90.9	91.2	90.7	- 0.3	0.2
Elec., Gas and Sanitary Services	18.0	18.0	17.9	0.0	0.6
Wholesale Trade	104.9	104.7	101.5	0.2	3.3
Retail Trade	400.7	396.1	388.9	1.2	3.0
General Merchandise	49.8	49.0	48.1	1.6	3.5
Finance, Insurance and Real Estate	113.5	113.3	109.9	0.2	3.3
Banking	28.7	28.8	28.1	- 0.3	2.1
Insurance	37.1	36.9	35.8	0.5	3.6
Service and Miscellaneous	457.3	454.8	442.4	0.5	3.4
Hospitals	69.3	69.3	67.2	0.0	3.1
Private Education	21.2	20.9	21.1	1.4	0.5
Government	302.3	302.8	301.3	- 0.2	0.3
State Government	76.7	75.9	77.9	1.1	- 1.5
Local Government	196.9	198.0	194.8	- 0.6	1.1

UNITED STATES LABOR FORCE ESTIMATES SEPTEMBER	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Seasonally Adjusted					
CIVILIAN LABOR FORCE	119,861	120,302	118,272	-0.4	1.3
Employment	112,772	113,081	109,987	-0.3	2.5
Unemployment	7,089	7,221	8,285	-1.8	-14.4
Unemployment Rate	5.9	6.0	7.0	-	-

* Latest month data are preliminary

MANUFACTURING EMPLOYMENT *(Unadjusted)* AUGUST	(In Thousands)		
	Latest Month	Month Ago	Year Ago
All Manufacturing (Including Canning)	525.0	531.9	525.3
All Manufacturing (Excluding Canning)	505.1	513.9	502.4
Durable Goods	308.3	316.6	309.9
Lumber and Wood Prod., (Except Furniture)	26.2	26.0	23.9
Sawmills and Planning Mills	3.1	3.2	3.0
Millwork, Veneer, Plywood & Prefab. Wood Prod.	13.7	13.8	12.1
Furniture and Fixtures	11.0	11.1	10.2
Household Furniture	4.3	4.4	4.1
Stone, Clay and Glass Products	9.7	9.5	8.5
Concrete, Gypsum and Plaster Products	5.1	5.0	4.2
Primary Metal Industries	18.9	18.7	19.1
Iron and Steel Foundries	9.8	9.8	9.8
Fabricated Metal Products	51.9	51.6	51.9
Heating Equipment (Except Electrical) & Plumbing Fixtures	7.4	7.2	6.5
Fabricated Structural Metal Products	12.3	12.2	12.5
Metal Stampings	10.4	10.6	10.7
Machinery (Except Electrical)	99.3	99.9	97.5
Engines and Turbines	19.2	19.8	18.0
Farm Machinery and Equipment	11.6	11.9	11.8
Const., Min. & Material Handling Mach. & Equip.	11.3	11.2	11.0
Metalworking Machinery and Equipment	10.7	10.8	10.9
Special Industry Machinery (Except Metalworking)	12.2	12.1	11.8
General Industrial Machinery and Equipment	14.0	13.9	13.7
Service Industry Machines	6.8	6.9	7.1
Electrical Machinery, Equipment and Supplies	46.7	46.4	48.9
Electrical Industrial Apparatus	14.8	14.8	16.0
Household Appliances	5.7	5.6	6.5
Transportation Equipment	23.7	32.5	29.0
Motor Vehicles and Equipment	17.2	25.6	21.2
Instruments and Related Products	10.9	10.8	11.5
Miscellaneous Manufacturing	10.1	9.9	9.4
Nondurable Goods	216.7	215.4	215.4
Food and Kindred Products	71.2	69.9	73.7
Meat Products	13.6	13.8	14.5
Dairy Products	18.2	18.3	17.5
Canning and Preserving	19.9	18.1	22.9
Bakery Products	5.2	5.3	4.6
Beverage Industries	7.3	7.4	7.5
Textile Mill Products	4.0	4.0	4.1
Knitting Mills	3.4	3.5	3.6
Apparel and Other Finished Products	6.8	7.0	6.6
Paper and Allied Products	50.1	50.0	49.4
Pulp and Paper Mills	31.4	31.1	30.6
Converted Paper and Paperboard Products	10.5	10.4	10.4
Paperboard Containers and Boxes	7.0	7.2	7.0
Printing, Publishing and Allied Industries	41.2	41.1	40.1
Newspapers	12.5	12.6	12.2
Commercial Printing	17.6	17.6	17.5
Chemicals and Allied Products	11.8	11.8	10.9
Rubber and Misc. Plastics Products	24.6	24.7	23.3
Miscellaneous Plastics Products	20.4	20.4	19.1
Leather and Leather Products	6.8	6.7	7.1
Leather Tanning and Finishing	1.7	1.6	1.6
Footwear (Except Rubber)	3.2	3.2	3.6
Other Nondurable Goods	–	–	–

Section

C WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* AUGUST	Average Weekly Earnings			Average Weekly Hours		
	Latest Month	Mo Ago	Yr Ago	Latest Month	Mo Ago	Yr Ago
All Manufacturing (Incl. Canning)	$427	$429	$418	41.5	41.1	41.4
All Manufacturing (Excl. Canning)	436	437	428	41.5	41.3	41.4
Durable Goods	436	442	429	41.6	41.6	41.3
Lumber/Wood Prod. (Exc. Furn.)	322	324	321	40.5	41.2	40.7
Furniture and Fixtures	347	352	335	42.8	43.3	42.0
Stone, Clay and Glass Products	438	432	420	45.7	45.8	43.3
Primary Metal Industries	447	437	430	44.0	43.0	43.1
Iron and Steel Foundries	462	446	427	45.4	43.7	43.3
Fabricated Metal Products	423	415	410	41.1	40.7	40.2
Fab. Structural Metal Prod.	431	436	425	44.0	44.5	41.5
Metal Stampings	453	431	427	40.5	38.8	40.1
Machinery (Except Electrical)	481	493	479	41.8	42.4	41.8
Engines and Turbines	524	580	520	40.4	44.3	42.0
Farm Machinery and Equip.	483	509	531	40.6	41.3	41.7
Const. and Related Mach.	462	447	449	42.5	41.5	40.9
Metalworking Mach. and Equip.	523	530	519	42.5	42.7	43.0
Spec. Ind. Mach. (Exc. Metal).	503	481	496	43.2	41.0	42.0
Gen. Industrial Mach. and Equip.	479	475	496	41.7	41.3	41.4
Electrical Mach., Equip. and Supp.	415	416	414	40.6	40.7	41.2
Electrical Industrial Apparatus	454	469	437	41.3	42.0	40.9
Transportation Equipment	577	566	534	41.0	40.2	40.5
Instruments and Related Prod.	380	386	348	41.4	42.2	39.4
Nondurable Goods	415	410	404	41.5	40.5	41.6
Food and Kindred Products	362	352	351	41.4	39.1	41.4
Meat Products	357	363	360	41.5	41.1	41.0
Dairy Products	401	398	403	40.7	40.0	41.0
Textile Mill Products	306	290	333	42.4	40.7	42.6
Apparel and Other Fin. Prod.	246	246	249	38.8	38.8	40.0
Paper and Allied Products	573	570	557	45.3	45.2	45.9
Pulp and Paper Mills	612	620	600	45.6	46.2	46.6
Printing, Pub. and Allied Prod.	446	438	432	39.4	38.7	38.9
Chemicals and Allied Products	446	458	446	40.1	40.6	39.6
Rubber and Misc. Plastics Prod.	321	322	330	38.5	38.3	39.9
Leather and Leather Products.	262	260	248	39.7	39.0	37.5

Section

C WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* AUGUST	Average Hourly Earnings Including O.T.			Average Hourly Earnings Excluding O.T.		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$10.29	$10.43	$10.29	$ 9.83	$10.01	$ 9.73
All Manufacturing (Excl. Canning)	10.50	10.58	10.45	10.01	10.15	9.95
Durable Goods	10.49	10.62	10.48	10.06	10.27	10.07
Lumber/Wood Prod. (Exc. Furn.)	7.96	7.87	7.94	7.87	7.81	–
Furniture and Fixtures	8.10	8.14	7.85	7.87	7.88	7.75
Stone, Clay and Glass Products	9.58	9.44	9.68	9.12	9.05	–
Primary Metal Industries	10.17	10.17	9.98	9.66	9.73	9.52
Iron and Steel Foundries	10.17	10.20	9.86	9.63	9.69	9.45
Fabricated Metal Products	10.28	10.19	10.31	9.81	9.74	9.81
Fab. Structural Metal Prod.	9.79	9.79	10.29	9.26	9.23	9.86
Metal Stampings	11.19	11.10	10.96	10.80	10.76	10.32
Machinery (Except Electrical)	11.51	11.63	11.50	11.05	11.29	11.04
Engines and Turbines	12.96	13.10	13.04	12.41	12.90	11.85
Farm Machinery and Equip.	11.89	12.32	12.39	11.49	11.72	12.28
Const. and Related Mach.	10.86	10.78	10.86	10.37	10.46	10.72
Metalworking Mach. and Equip.	12.30	12.41	11.98	11.90	12.00	11.68
Spec. Ind. Mach. (Exc. Metal) .	11.64	11.74	11.88	11.06	11.21	11.25
Gen. Industrial Mach. and Equip.	11.49	11.51	11.98	11.00	11.09	11.58
Electrical Mach., Equip. and Supp.	10.72	10.21	10.17	9.78	9.81	9.75
Electrical Industrial Apparatus	11.00	11.17	10.77	10.61	10.86	10.48
Transportation Equipment	14.08	14.07	13.12	13.36	13.48	12.57
Instruments and Related Prod.	9.18	9.15	8.88	8.81	8.82	8.57
Nondurable Goods	10.00	10.13	10.02	9.50	9.63	9.22
Food and Kindred Products	8.74	9.00	8.91	8.37	8.66	8.04
Meat Products	8.60	8.84	8.82	8.28	8.47	8.42
Dairy Products	9.85	9.95	9.81	9.34	9.42	9.20
Textile Mill Products	7.22	7.12	7.89	6.87	6.85	7.47
Apparel and Other Fin. Prod.	6.33	6.34	6.21	6.17	6.16	6.08
Paper and Allied Products	12.64	12.61	12.26	11.88	11.86	11.56
Pulp and Paper Mills	13.42	13.41	12.95	12.56	12.54	12.32
Printing, Pub. and Allied Prod.	11.33	11.31	11.13	–	–	–
Chemicals and Allied Products	11.12	11.27	11.25	10.86	10.99	11.06
Rubber and Misc. Plastics Prod.	8.34	8.42	8.25	8.04	8.10	7.92
Leather and Leather Products.	6.59	6.66	6.79	6.37	6.47	6.49

Section

C SUMMARY OF RECENT WISCONSIN DATA

EARNINGS AND HOURS, MFG. Production Workers *(Unadjusted)* AUGUST	Average Weekly						Average Hourly Earnings				
	Earnings			Hours			Including O.T.			Excluding O.T.	
	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago
United States	$403	$401	$394	40.9	40.6	40.7	9.86	9.68	–	–	–
Wisconsin	427	429	418	41.5	41.1	41.4	10.29	10.43	9.83	10.01	9.73
Selected Areas											
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	455	452	424	42.5	41.8	42.3	10.71	10.82	10.02	10.16	10.30
Beloit (City)	392	366	386	39.6	36.6	38.9	9.90	10.01	9.93	–	–
Eau Claire (Eau Claire-Chippewa)	452	452	449	41.8	41.7	42.0	10.82	10.85	10.68	10.18	10.19
Fond du Lac (County)	386	382	394	39.8	39.4	43.5	9.70	9.70	9.06	9.24	9.26
Green Bay (Brown County)	459	459	449	42.1	42.0	42.1	10.90	10.94	10.67	10.14	10.16
Janesville (City)	553	554	471	39.8	39.7	38.1	13.89	13.96	12.36	13.46	13.55
Janesville-Beloit (Rock County)	406	477	435	39.8	38.9	39.5	10.21	12.26	11.01	9.82	11.82
Kenosha (County)	477	472	445	40.9	39.0	39.2	11.67	12.11	11.35	10.97	11.75
La Crosse (County)	352	351	357	38.9	38.1	38.6	9.05	9.21	9.25	8.74	8.92
Madison (Dane County)	387	398	404	40.2	40.9	42.3	9.63	9.74	9.54	9.31	9.35
Manitowoc (County)	390	372	360	40.2	38.8	39.1	9.70	9.59	8.20	9.25	9.22
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	478	483	476	41.0	41.2	41.0	11.67	11.73	11.61	11.09	11.24
Racine (County)	432	430	439	40.1	39.3	40.7	10.78	10.94	10.79	10.48	10.71
Sheboygan (County)	398	391	392	42.3	41.0	41.9	9.41	9.53	9.35	8.94	9.08
Wausau (Marathon County)	425	425	411	42.8	43.0	42.3	9.92	9.88	9.71	9.37	9.39

EMPLOYMENT, MFG. *(Unadjusted)* AUGUST	(In Thousands)			Percent Change	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
United States	19,198.0	19,023.0	19,042.0	0.9	0.8
Wisconsin	525.0	531.9	525.3	- 1.3	- 0.1
Selected Areas					
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	51.4	51.3	49.0	0.2	4.9
Beloit (City)	4.8	4.8	4.7	0.0	2.1
Eau Claire (Eau Claire-Chippewa)	10.3	10.3	10.4	0.0	- 1.0
Fond du Lac (County)	10.0	10.0	11.0	0.0	- 9.1
Green Bay (Brown County)	25.8	25.1	26.1	2.8	- 1.1
Janesville (City)	5.5	10.0	7.9	-45.0	-30.4
Janesville-Beloit (Rock County)	12.4	17.1	14.4	-27.5	-13.9
Kenosha (County)	10.6	13.2	10.9	-19.7	- 2.8
La Crosse (County)	10.3	10.3	10.4	0.0	- 1.0
Madison (Dane County)	22.7	22.6	22.0	0.4	3.2
Manitowoc (County)	11.4	11.7	12.7	- 2.6	-10.2
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	165.4	165.8	167.0	- 0.2	- 1.0
Racine (County)	23.1	23.4	24.4	- 1.3	- 5.3
Sheboygan (County)	20.4	20.0	19.1	2.0	6.8
Wausau (Marathon County)	13.7	13.8	12.5	- 0.7	9.6

LABOR FORCE = POPULATION X PARTICIPATION

by Joseph Tumpach Jr.

The battle between the population and the labor force participation rate is coming to a showdown. And there are strong implications about the way we will view future labor supply depending on the winner.

The conflict analogy is more useful than real, but our estimates of Wisconsin's future labor force do, indeed, depend on our population's predisposition to seek jobs and to work. While the contestants are two million workers and job seekers, the swing votes are held by those who are 35 through 44 years old.

Labor force participation rates are, simply, the percents of the various population segments which are either employed or looking for a job. Gauging the size of the future labor force consists of applying the participation rates to population estimates for the future. Labor force entry may begin at no earlier than age sixteen, by official definition. Thus, the population which will join the labor force ten years from now has already been born. The population component of the formula is fairly accurate.

For years the participation rates had been growing, due in large part to the increased work activity of women of all ages; and population had been growing strongly, due to the post-war baby boom. Predicting an increasing labor supply was a safe bet. We have labor force participation rates for both men and women, and for workers of various ages. Estimating labor force size by adding together components--young workers, old workers, male and female--agreed generally with the overall view of an expanding labor force. Participation rates increased from year to year and population was growing.

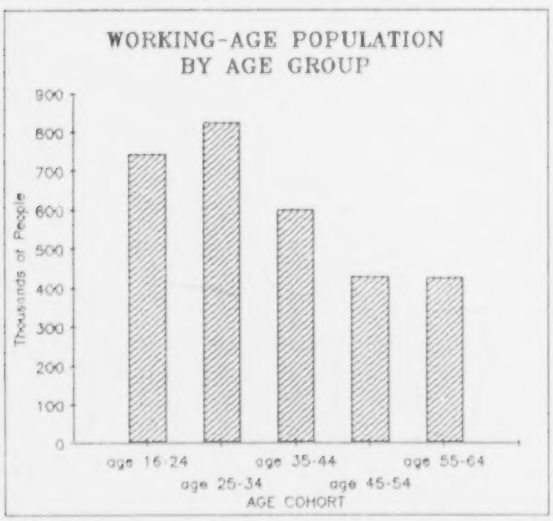
The economic cycle does, however, produce a variation on labor force growth patterns. During recessionary phases, the participation rates of women and young workers tend to decline as many women and youth delay labor force entry or withdraw from the labor force when jobs are scarce. Women usually have a lower unemployment rate than men during a recession simply because many women withdraw from the labor force upon becoming unemployed and, thus, are not officially counted among the unemployed.

In the past, however, economic recovery and expansion has brought a return of increasing labor force participation, with rates of participation continuing to climb from pre-recession levels.

The population boom lasted roughly fifteen years. The number of births in Wisconsin peaked in 1960. And as that population segment aged into labor force age, sixteen years old, a constantly growing stream of workers swelled the state's labor pool. But population growth alone didn't account

for the rapidly expanding labor force. Between 1970 and 1980, the state's working-age population grew by nearly 520 thousand. At the same time, the labor force grew by 487 thousand. And between 1980 and 1985, the Wisconsin labor force grew by about 106 thousand workers while the working-age population grew by less than 100 thousand.

Within the next few years, we may reach a point where population growth and labor force participation rates cross paths. What resulted from the population explosion followed by the birth dearth, the sudden, sharp decrease in the birth rate...what resulted was a large swell of population which is now in the labor force and is now progressing to middle-age.



At the same time that population was rapidly growing, the labor force participation rates were consistently increasing from year to year. Women in particular, and women of all ages, dramatically increased their labor force attachment. There is variation, however, between men and women, and depending on age. The portion of men entering the labor force grows sharply at age 25 and remains high--around ninety percent--until 55 years of age. Women's labor forceactivity is highest at between 20 and 24 years of age and decreases gradually until age 44. At that age, the women's rate begins a fast drop. It is that fast labor force withdrawal age which the large baby-boom population is approaching.

The combination of population and labor force participation is what causes uncertainty.

If population growth first increases rapidly then slows over a span of years, and if individuals don't change their labor force status during their working age, the labor force will first grow rapidly then decline.

And if participation rates continue to increase enough while population growth slows, the labor force could continue to grow.

If, however, many individuals drop out of the labor force as they age, and if a large segment of the population is about to reach the age of weak labor force attachment, then a precipitous decrease in the size of the labor supply is possible as we move into the decade of the nineteen-nineties.

(continued on back cover)

STANDARD INDUSTRIAL CLASSIFICATION SURVEY

There will be a major revision of the Standard Industrial Classification (SIC) in 1987-1988. The SIC is used primarily to help in the collection, tabulation, presentation, and analysis of data on business establishments. It also promotes uniformity and comparability in the statistical data collected by various agencies of the federal government. Data from the SIC is also used by state agencies, private business, trade associations, and other organizations.

The Wisconsin bureau of Labor Market Information (LMI), in cooperation with the Bureau of Labor Statistics (BLS) in the U.S. Department of Labor, will distribute the SIC Survey to approximately 13,500 Wisconsin employers between November 1987 and January 1988, depending on when the forms are received from the federal government. Most conversions to the revised SIC will be made automatically by computer, and so not all 102,000 Wisconsin businesses have to be surveyed. The 1987 SIC revision has taken into account: 1) technological changes, 2) institutional changes such as deregulation in the banking, communications, and transportation industries, and 3) the tremendous expansion in the service sector.

The SIC encompasses all economic activity, and is a classification of establishments, rather than legal entities or enterprises, by kinds of businesses, not by occupations or commodities. It is revised periodically to reflect changes in the industrial composition of the economy.

Accurate SIC coding can be very important to businesses in governmental economic development efforts. The governor could determine that specific development efforts are to be directed to businesses only in certain codes, and accurate coding will ensure that the businesses that should receive help do receive it.

Completion of the survey could be mandatory under Wisconsin law (s. 101.02), but the Secretary of Industry, Labor and Human Relations is not exercising that authority at this time. According to Secretary John Coughlin, "The SIC is one of the most important tools that has been developed to promote accurate and efficient statistical analysis of business activities. Prompt return of completed surveys will help ensure that both business and government continue to have access to accurate data to guide their decisions."

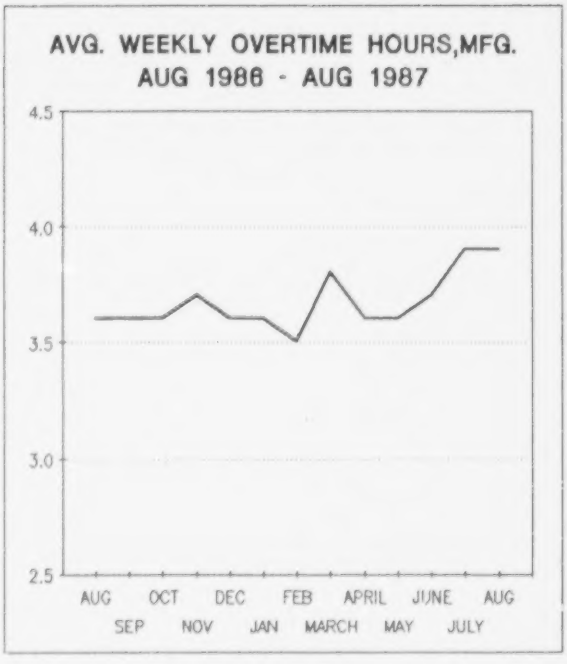
Although the SIC was developed initially for statistical use within government agencies, it is now used widely by individual businesses for classification of their customers and suppliers in market research, by various research and business organizations, and by trade and professional associations.

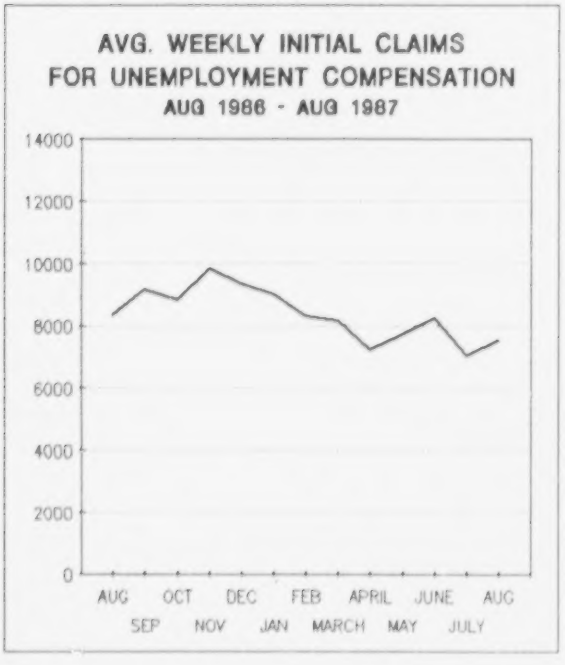
Statistics classified by industry are used not only to show how industries have performed over the past year, but also to indicate emerging and rapidly growing industries. The second usage requires that comprehensive and frequent changes be made to keep up-to-date on the industrial composition and structure of the economy. The revision should provide the means for introducing new industrial detail generated by economic growth or technological change. Individual employers will not be identified; information will be released only in summarized form.

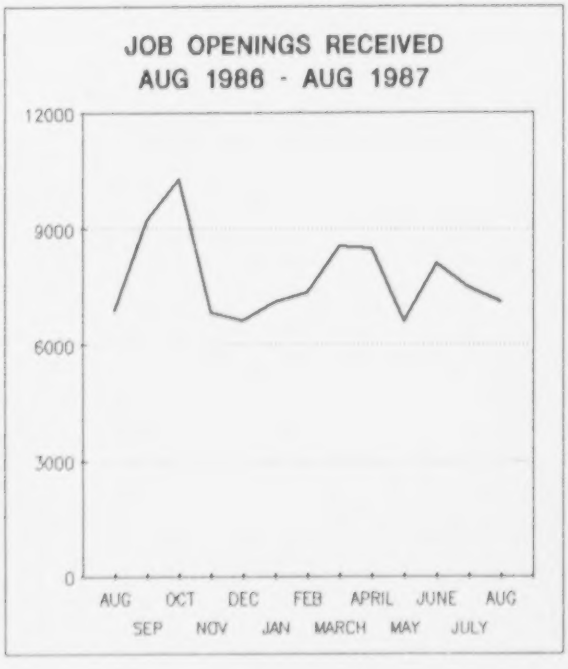
Section

D

CYCLICAL INDICATORS







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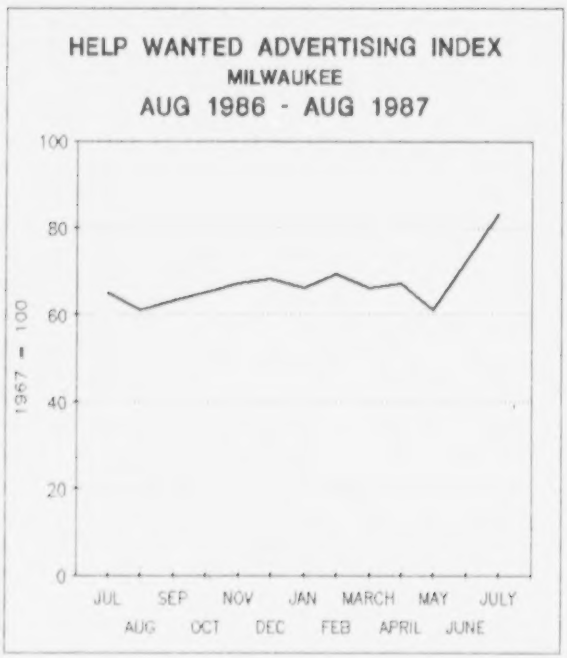

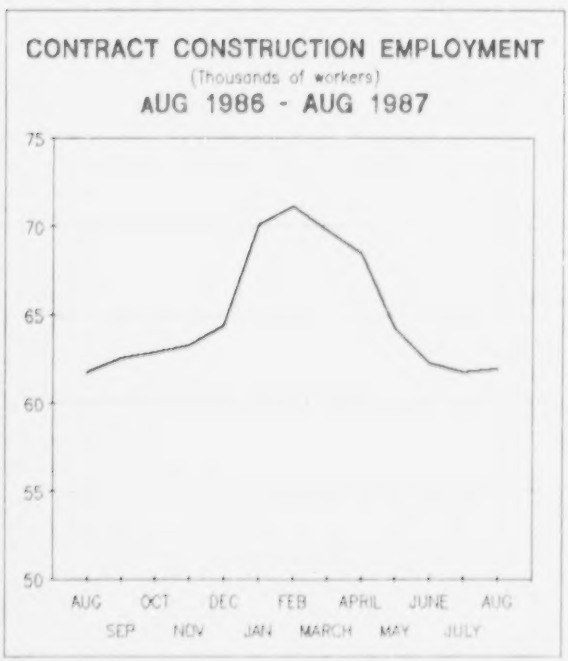

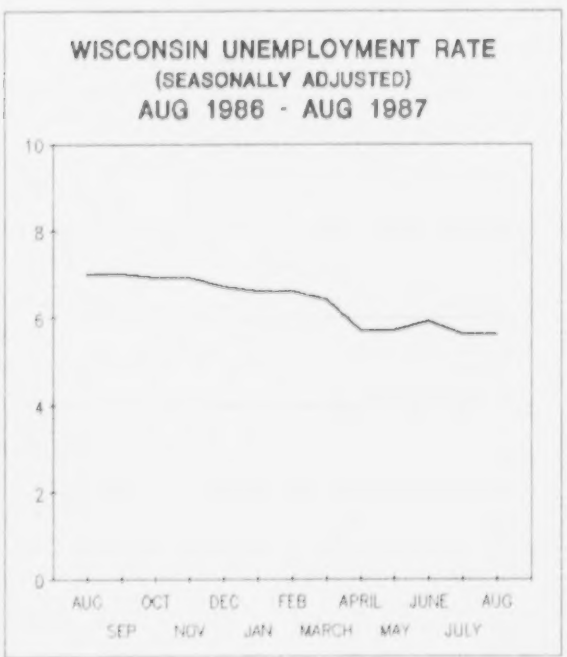

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(continued from page 10)

In the past couple of years, labor force growth has been slow. Most of the slow growth is due to a much smaller population segment becoming labor force age. That has resulted in the current shortage of workers for typically teenage jobs. That shortage will resolve itself as the birth rate has resumed a slow, but steady, growth following the low fertility rates of the 1960's. What may be more serious is whether the middle-age population follows the traditional pattern of decreasing labor force attachment as it ages, or remains in the labor force, carrying their high participation rates to a later age.